

MARTIN MIDSTREAM PARTNERS LP  
Form 10-Q  
May 04, 2011

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF  
1934

For the quarterly period ended March 31, 2011

OR

TRANSITION REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF  
1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number  
000-50056

MARTIN MIDSTREAM PARTNERS L.P.  
(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of incorporation or  
organization)

05-0527861  
(IRS Employer Identification No.)

4200 Stone Road  
Kilgore, Texas 75662  
(Address of principal executive offices, zip code)

Registrant's telephone number, including area code: (903) 983-6200

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes  No

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Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definition of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer  Accelerated filer   
Non-accelerated filer  (Do not check if a smaller reporting company) Smaller reporting company

Indicated by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes  No

The number of the registrant’s Common Units outstanding at May 4, 2011, was 19,582,332. The number of the registrant’s subordinated units outstanding at May 4, 2011, was 889,444.

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## PART I – FINANCIAL INFORMATION

## Item 1. Financial Statements

MARTIN MIDSTREAM PARTNERS L.P.  
CONSOLIDATED AND CONDENSED BALANCE SHEETS  
(Dollars in thousands)

	March 31, 2011 (Unaudited)	December 31, 2010 (Audited)
<b>Assets</b>		
Cash	\$ 10,819	\$ 11,380
Accounts and other receivables, less allowance for doubtful accounts of \$2,576 and \$2,528, respectively	94,699	95,276
Product exchange receivables	5,254	9,099
Inventories	50,296	52,616
Due from affiliates	9,229	6,437
Fair value of derivatives	2,138	2,142
Other current assets	3,245	2,784
Total current assets	175,680	179,734
Property, plant and equipment, at cost	684,413	632,456
Accumulated depreciation	(210,627 )	(200,276 )
Property, plant and equipment, net	473,786	432,180
Goodwill	37,268	37,268
Investment in unconsolidated entities	100,236	98,217
Deferred debt costs	12,357	13,497
Other assets, net	25,851	24,582
	\$ 825,178	\$ 785,478
<b>Liabilities and Partners' Capital</b>		
Current portion of capital lease obligations	\$ 1,148	\$ 1,121
Trade and other accounts payable	80,504	82,837
Product exchange payables	19,703	22,353
Due to affiliates	11,271	6,957
Income taxes payable	1,037	811
Fair value of derivatives	1,093	282
Other accrued liabilities	13,333	10,034
Total current liabilities	128,089	124,395
Long-term debt and capital leases, less current maturities	344,655	372,862
Deferred income taxes	8,210	8,213
Fair value of derivatives	5,064	4,100
Other long-term obligations	1,947	1,102
Total liabilities	487,965	510,672
Partners' capital	337,117	273,387
Accumulated other comprehensive income	96	1,419

Total partners' capital	337,213	274,806
Commitments and contingencies		
	\$825,178	\$ 785,478

See accompanying notes to consolidated and condensed financial statements.

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MARTIN MIDSTREAM PARTNERS L.P.  
CONSOLIDATED AND CONDENSED STATEMENTS OF OPERATIONS  
(Unaudited)  
(Dollars in thousands, except per unit amounts)

	Three Months Ended	
	March 31,	
	2011	2010
Revenues:		
Terminalling and storage *	\$ 18,123	\$ 16,041
Marine transportation *	19,399	17,877
Sulfur services	2,850	—
Product sales: *		
Natural gas services	167,211	165,229
Sulfur services	56,908	34,409
Terminalling and storage	18,545	9,120
	242,664	208,758
Total revenues	283,036	242,676
Costs and expenses:		
Cost of products sold: (excluding depreciation and amortization)		
Natural gas services *	158,204	157,664
Sulfur services *	44,442	24,735
Terminalling and storage	16,560	